



THE

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The first of the two papers presented at the LNA meeting of August 2, 2008 was published in the last issue of 'The Knight'. We continue below with the second paper, again, with editorial input and supplemental information.

Perspective, theirs and ours

Aleksandras Radžius

We who are interested in early/species coins have an obligation to appreciate coins in the same way that the people who used them did. And, the way they appreciated their species coins is completely different from how we appreciate our modern/fiat coins!

Consider a modern US \$1 coin, a modern Mexican 10 peso coin and a copper reproduction of a 1773 half-penny which was originally minted by George III specifically for the Virginia Colony. Being a modern reproduction, the 1773 half-penny has 'copy' stamped on it. Handling these coins, we would say, "O.K., a US dollar coin - no problem, a dollar." With a little work we would realize that, currently, a US dollar is worth about 10 Mexican pesos. So, no problem, the 10 peso Mexican coin is equal in value to the \$1 US coin. Looking at a reproduction 1773 copper half-penny one might say, "Cute, where did you get it? What did you pay for it?"

On the other hand, if these three coins were given to merchant on Baltimore waterfront in 1814, he would look at the \$1 US coin and probably say, "I don't care what it says, it's neither gold, silver or copper, I have no idea what the metal is!

I'm not taking it as payment for anything." The response to the Mexican 10 peso coin would be the same. But, taking the copper reproduction, he might say, "I don't care if 'copy' is stamped on it. It's copper, about the weight of a US large cent. If you have 11 more of them, I'll sell you a bottle of wine."

The table below presents the differences between how fiat currencies are now and species coins were then evaluated.

MODERN (fiat, by decree, currencies)	EARLY (species, intrinsic value, coins)
A dollar is a dollar because a government designated a specific piece of metal or a specific piece of paper a dollar.	A dollar is a dollar because it is about one ounce of good silver (93%, 92.5% or 90% silver).
The common man assumes that the value of the currency is based on what is minted or printed on the currency.	The common man assumes that the coin is good silver, copper or gold and of accepted weight.
Bankers and merchants assume that the value of the currency is what is minted or printed on the currency.	Bankers and merchants continuously check the weight and the metal content of coins, tabulate the results so as to have accurate exchange rates. This information may filter down to the common man.
The value of a currency in relation to the currency of another country is set by an official agency.	The value of a coin in relation to a coin of another domain is determined by the amount of silver or gold in each coin.
The buying power of the currency is determined by market forces in the state issuing the currency.	The buying power of a unit of silver is the same across borders, e.g. pennyweight (24 grains or 1.6 grams) of silver for a day's labor of a common man.
Damage to the currency does not effect its value or buying power.	Decrease in weight, due to wear or clipping, decreases the value of the coin.

Although this difference in perspective may be well known to all of you, I'm addressing it because two errors have been made in Lithuanian numismatics, suggesting an ignorance of this difference by some. Specifically, the errors are: 1) calling the silver ingots cast in Lithuania our first money with coins coming

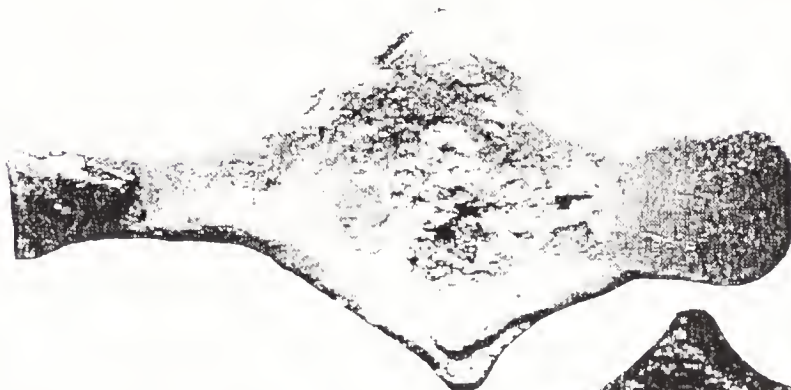
into use later, and 2) naming early Lithuanian coins with denominational names that are not justified, based on the coin's weight.

1) CALLING LITHUANIAN INGOTS (KAPA) OUR FIRST MONEY

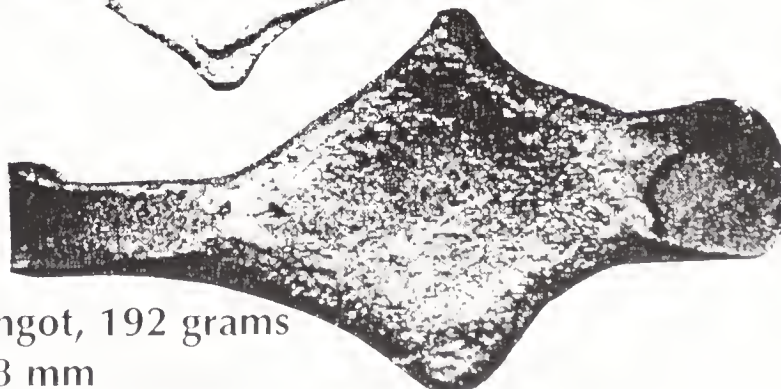
Below are examples of silver ingots (kapa) cast in ancient Lithuania as well as those of other cultures who lived along the trade route extending from the the Baltic Sea to the Black Sea, the northern spur of the Silk Road. The Lithuanian ingots are illustrated at about actual size, those of other cultures are shown reduced.



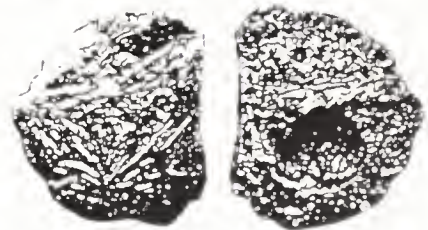
Lithuanian ingots (kapa)



Top



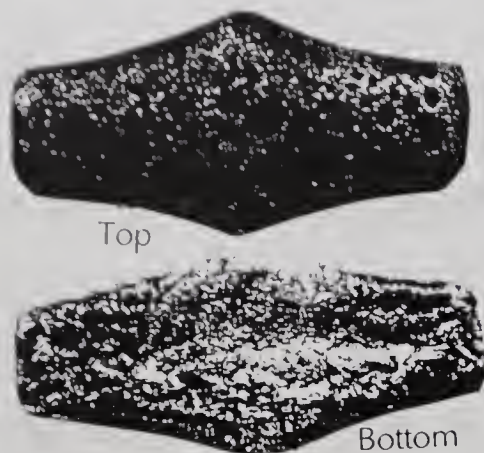
Chernigov ingot, 192 grams
125 x 63 x 8 mm



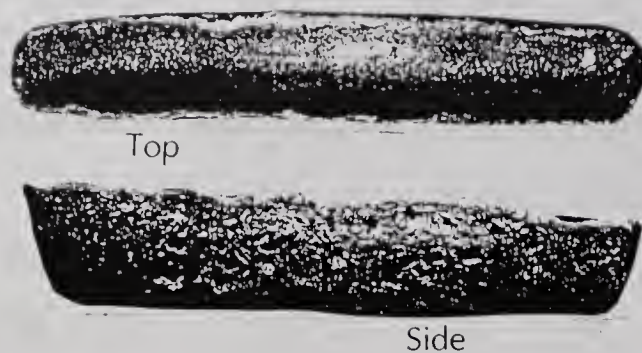
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Bottom

Bulgar ingot, 53.2 grams
40 x 35 x 6 mm



Kiev ingot, 157.6 grams
80 x 38 x 9 mm



Tatar ingot, 207.5 grams
108 x 20 x 18 mm

Visually, it appears that the ingots of cultures south of Lithuania were raw ingots, with Lithuanian and Novgorodian ingots being the final refinement and the final form that would be easy to handle and store.

Working metals was common in all human cultures who had discovered or were introduced to metals. Raw metals and finished products would have been item of barter for centuries in Lithuania. The appreciation that gold, silver and copper are non-corrosive, non-deteriorating, and thus of high value, was then, and is now, self-evident. Finds in graves attest that Lithuanian were very familiar with silver eons before the birth of Christ. From the earliest times to the present, coins were melted to produce decorative and utilitarian items, and vice versa. Celtic coins from before the birth of Christ are known and Roman coins have been found in Lithuania. There are no archeological, historical or logical bases to posit that silver first arrived in Lithuania as coins or as finished silver goods. Rather, it is most likely that silver arrived simultaneously in both forms many centuries B.C.

But, one has to wonder why cultures along the Baltic Sea - Black Sea trade route, having no silver deposits of their own, refined silver into ingots. The answer is simple. After trading in the east, Vikings would return with Asiatic and Arabic silver coins. These coins would have been unfamiliar to Northern

and Western Europeans. Clearly, it made sense to refine these silver coins into ingots, a more acceptable form to ancient western Europeans. With great forests for fuel, the locals did the work for the Vikings, receiving a portion of the ingots as payment.

Yes, in Lithuania, one or two of such ingots were needed to buy a slave/prisoner of war or a major farm animal, but who among the medieval Lithuanians, and how often, would make such large ticket purchases? With the understanding that “money” is something that is used for common, everyday transactions, Lithuanian ingots are not “money”. In today’s perspective, these ingots are comparable to checks written out for large sums or negotiable bonds - numismatic items for sure, but not “money”.

The Lithuanian silver ingots were always of high purity, but varied in weight. The ingots found to date weigh between 75 grams to 135 grams, with an average just over 100 grams (about 1,540 grains). Considering that a common laborer/soldier in medieval Europe was paid about a pennyweight (about 24 grains or about 1.6 grams) of silver per day, a 100 gram kapa would pay for a little over 60 days of common labor. So, again, is a kapa “money”? Taking today’s US currency and \$6.50 as the minimum wage, 60 days of 8 hours/day common labor would be over \$3,000. If such a banknote were available to us today, would it be “money”? When was the last time you needed a couple of \$3,000 bills to go shopping?

But again, the issue is: how did the period Lithuanians view these silver ingots? I think it is clear that they would have considered them barter items for high priced, infrequent, transactions, not as “money” for common transaction. For common, every-day transactions there were small weight native coins and larger weight foreign coins.

2) ASSIGNING EARLY LITHUANIAN COINS DENOMINATIONAL NAMES NOT JUSTIFIED BY THE COIN'S WEIGHT

Though in most reference books Lithuanian early coins are called denars or multiples of denars, in one case these coins are called groats and pennies.

Pennyweight silver coins, about 24 grains (about 1.6 gram) in weight, had been the only coins circulating in Europe for hundreds of years after the fall of the western half of the Roman Empire. In the northern cultures these pennyweight coins were called by names having a common origin, e.g. pinigas, penny, pfenig, pennia, denga. Later, in England, besides the pennyweight coins, half-pennyweight (ha'penny) and quarter-pennyweight (farthing) coins were also minted. In Germany, for smaller denominations, experiments with bracteates were undertaken.

In the southern cultures, the descendants of the western half of the Roman Empire, these pennyweight coins were called 'denars', even though originally, the Roman denar was a two pennyweight coin. Like the original Roman denars, with time, these later-day 'denars' became debased to varying degrees in varying cultures. It became necessary to issue 'big denars' of good silver to reestablish confidence in coinage. The 'big denars' were called 'gross denari', from which we get the name 'groschen'. Various domains issued groschen coins of varying weight, just as various domains debased the denars to varying degrees. But, as a rule, these new groschen coins weighed about 2 pennyweight, about 48 grains (about 3.2 grams) of good silver. Of course, there was nothing to hold a ruler back from showing off his wealth by issuing coins of higher silver content or of heavier weight than another ruler. Thus, depending on the domain, differing numbers of old denars were equal to one new gross denari (groschen). In some cases it was 8, in others 10 and in still others 12 or even 20.

The earliest known Lithuanian coins had a spearpoint and a Greek Cross on the obverse and 'PECHAT' (meaning 'seal') in Cyrillic letters on the reverse. There were two types. The larger ones (16-18 mm) are of 94% silver and weigh 0.93 to 1.45 grams. The smaller ones (12-14 mm) are of 50% silver and weigh 0.59 to 0.81 grams. Assuming that the variations in weight are not due to wear or clipping, it would appear that the larger coins were minted to be pennyweight and half-pennyweight coins, and that the smaller coins, were meant to be half-pennyweight and quarter-pennyweight coins. Although, in view of the silver content, the actual value of the smaller type coins would have been about half of their presumed value.

One relatively recent publications calls both of these coins 'groats'. Knowing that a species coin's value is based on its weight and assumed silver content, and, given the weights of these Lithuanian coins, to call them groats would be like today going the a store with a nickle (5 cent piece) and a dime (10 cent piece) and calling each a 50 cent piece !!!

Below are examples of the coins under discussion.



Subsequent early Lithuanian coins weighed from about 0.3 to about 0.6 grams and they are called denar and two denar coins.

Below is a table comparing the weights and names of coins using the Prague groschen as a standard with English coins and

their names, assuming that in both cultures the pennyweight was the same, i.e. 48 grains. Clearly, English denominational

Prague groschen	Approximate weight in:			English
	pennyweight	grains	grams	
	(4)	(96)	(6.2)	groat (by statute)
	2.5	60	4.0	groat (actual)
groschen (12 denars)	2	48	3.2	
half-groschen (6 denars)	1	24	1.6	penny
quarter groschen (3 denars)	0.5	12	0.8	ha'penny (half penny)
double denar (2 denars)	0.32	8	0.5	
	0.25	6	0.4	farthing (quarter penny)
denar	0.17	4	0.26	

Prague groschen	Approximate weight in:			English
	pennyweight	grains	grams	
	(4)	(96)	(6.2)	groat (by statute)
	2.5	60	4.0	groat (actual)
groschen (10 denars)	2	48	3.2	
half-groschen (5 denars)	1	24	1.6	penny
quarter groschen (2.5 denars)	0.5	12	0.8	ha'penny (half penny)
double denar (2 denars)	0.40	8	0.64	
	0.25	6	0.4	farthing (quarter penny)
denar	0.20	4.8	0.32	

names and the weights have poor concordance with the coins based on the Prague groschen regardless if 12 or 10 denars to the groschen standard is used. If the tables were to be reworked with the caveat that the pennyweight was not the same in both cultures, concordance would decrease.

For added insight, the issue of applying the name 'groat' to any Lithuanian coin must be addressed. On the next page is a table comparing the Prague groschen with the English groat. The table is a work in progress and any input would be most appreciated.

Clearly, the English groat was consistently and considerably heavier than the Prague groschen. And, although with time all coins became debased, there was never a cross-over point where the English groat could have been considered equal to and interchangeable with a Prague groschen, based on weight or silver content.

Prague Groschen

	diameter (mm)	% Ag	grams	grains (about)
Wenceslaus II 1278-1305	26.4-27.0	93.8	3.66-3.80	56-59
Wenceslaus III 1305-1306				
Rudolf Hapsburg 1306-1307	No groschen minted			
Henry of Carinthia 1307-1310	No groschen minted			
John of Luxembourg 1310-1346		88		
Charles I 1346-1378	27-28.6	82.5-97	3.46-2.86	44-53
Wenceslaus IV 1378-1419		50-62.5	2.38-2.8	37-43
Sigismund of Hungary 1419-1437				
Albert of Austria 1437-1439				
Interregnum 1439-1453				
Ladislav Posthumus 1453-1457				
George of Podebrad 1457-1471				
Matthias of Hungary 1469-1471				
*Ladislav II Jogalaitis 1471-1516	27-28		2.75	42

* Of the Jogalian branch of the Lithuanian Royal House of King Gediminas

English Groat

	grains (about)	grams	% Ag	diameter (mm)
Edward I 1272-1307	89 (96)	5.8 (6.4)		28
No groats minted 1282-1351				
Edward II 1307-1327				
Edward III 1327-1377	72	4.7	92.5	28
Richard II 1377-1399	72	4.7	92.5	28
Henry IV 1399-1413	60	3.9	92.5	28
Henry V 1413-1422	60	3.9	92.5	28
Henry VI 1422-1461	60	3.9	92.5	28
Edward IV 1461-1470, 1471-1483	60, 48	3.9-3.1	92.5	28
Edward V 4/1483-6/1483				
Richard III 1483-1485				
Henry VII 1485-1509				28

During the time period under consideration, the English were at war, off and on, with the French, a consequence of the English Kings making claims to the French throne. The English groat was already unpopular in England, since it never was equal to 4 English pennies as stipulated by statute. It was even more unpopular in France as it didn't fit into the French coin system. It is very doubtful if any groats ever made it out of the areas of France controlled by the English. Further, no English groats have been found in Lithuania. In contrast, the Prague groschen was very plentiful in Lithuania and the Lithuanians would have called the coins they used by names with which they were familiar - groschen and denars. Further, no coin minted by any Lithuanian sovereign during the period under consideration ever approached the weight of a coin the English called a 'groat'. Thus, there is no numismatic, archeological, historical, or logical justification for calling any Lithuanian coin from the period 1345-1492 a 'groat'.

These two errors in current Lithuanian numismatics betray an ignorance of the basic economic foundation of species coins on the part of the individuals who started these errors and those are uncritically repeating them. The consequence is that Lithuanian numismatics is thereby being muddled.

WANTED

Picture postcards of Lithuania, Klaipėda/Memel, Vilnius/Vilno/Wilno, pre-1941 only. Send photocopies or description and price to: J. R. Greene, 26 Bearsden Rd., Athol, MA 01331.

LETTERS

Thank you for the nice comments in the bulletin . . . *Vince Alones, Lynchburg VA.*

Thank you for all you do. *Bruce Donahue, Accord MA.*

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